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Missile Defense Contracts Miss Their Mark, Congressional Critics Say

By Jeremy Torobin and Tim Starks, CQ Staff

The Homeland Security Department selected two major defense contractors and United Airlines on Tuesday to develop plans for defending all commercial airliners from shoulder-fired missiles — a technology that is far in the future — even while saying there is no "particular concern" that terrorists can bring down a plane here with the weapons.

Nevertheless, the fact that adapting military technology for passenger jets is still a long way off reignited criticism from members of Congress, particularly Democrats, who have accused the Bush administration of dragging its feet on the issue.

Despite repeated pronouncements about its commitment to ridding U.S. airspace of the threat of man-portable air defense systems (MANPADs), DHS officials participating in a conference call with reporters Tuesday afternoon kept expectations low about how soon countermeasures will be available.

The department will give the three teams — led by BAE Systems, Northrop Grumman and United Airlines — about \$2 million each to spend the next six months studying ways to adapt existing military technologies for commercial use. After the six-month first phase, DHS will determine whether to spend up to 18 additional months working with one or more of the teams to test prototypes.

Deployment of the defenses would take an unknown period of time after that.

The DHS officials also played down the threat posed by the missiles inside the United States.

In fact, although shoulder-fired missiles have been used widely by armies and paramilitary groups around the world — including the U.S.-backed Afghan resistance fighting Soviet forces in the 1980s and Irish terrorists who fired a missile at British intelligence headquarters from London Bridge in September 2000 — no attack has taken place on U.S. soil.

The most notable recent terrorist attack with a shoulder-fired missile was a near miss on an Israeli charter jet leaving Mombasa, Kenya, in November 2002.

Both Asa Hutchinson, the undersecretary for border and transportation security, and Charles E. McQueary, the undersecretary for science and technology, stressed that even as officials scramble to deal with ongoing threats to trans-Atlantic flights, there is currently no intelligence indicating an imminent threat from shoulder-fired rockets in the United States.

"The timing of this announcement does not reflect any particular concern at the present time but is just part of our ongoing effort to take responsible actions that we should about this threat that has been demonstrated worldwide," Hutchinson said.

U.S. intelligence, McQueary added, "has no evidence — no evidence — of a specific, credible threat to commercial aircraft in the United States from shoulder-fired missiles."

Hutchinson noted that the Transportation Security Administration has conducted vulnerability assessments and "adopted specific actions" at major airports considered to be at the greatest risk from the missiles and added that the State Department helped to secure an agreement among G-8 nations to work to ensure the easily available weapons don't fall into the wrong hands.

Pace Makers

Nevertheless, DHS' contract announcement did not satisfy Democrats who have clamored for action since the Mombasa incident.

Authors of legislation to require the government to equip the nation's commercial fleet of 6,800 planes with anti-missile defenses were unimpressed with the administration's schedule.

"While I'm glad DHS is finally moving forward, it's at much too slow a pace," Sen. Charles E. Schumer of New York, the Senate Democrats' point man on homeland security issues, said in a statement. "We can't afford to wait another two years to outfit planes — it's already been 14 months since the Kenya attacks."

And Rep. Steve Israel, D-N.Y., charged in a statement that the administration still has not committed itself to moving past an exploratory stage. Nor, he said, has the White House decided how to pay for the installation of the defense systems if a feasible countermeasure is developed.

"The threat is simply too severe to allow bureaucrats to set their own timetables to make use of those protections," Israel said.

Israel spokesman Jack Pratt added in an interview that Congress is partly to blame for failing to authorize strict timelines despite having appropriated \$60 million for the missile-defense program in fiscal 2004 — money the Bush administration did not request.

DHS officials, meanwhile, said the current timeline is more than adequate.

"This is an extraordinarily aggressive program," said Penrose C. "Parney" Albright, DHS assistant secretary for science and technology. "We know that missile development and countermeasures is a cat-and-mouse game."

And McQueary called the program's funding structure — \$2 million spent in fiscal

2003 to launch a program office, \$60 million in fiscal 2004 and another \$60 million the administration will request for fiscal 2005 — "an indication of this administration's commitment to dealing with this threat."

But both McQueary and Albright were careful to outline potential problems with the program, and offered a subtle hint that airlines might not be able to expect much federal funding beyond the amount the government decides to provide to install the systems.

Estimates are that it could cost \$1 million per plane to equip them with anti-missile defenses.

"One of the several things that we'll be concerned about as we enter into this process is the associated economic costs and operation and maintenance issues that commercial aviation must bear in order to implement a program such as this," McQueary said.

Albright added that until those issues are studied sufficiently, it's impossible to say how much money the government would commit to spend if it decides that all planes must be equipped with the devices.

"Obviously, there's a lot of options, but I think it would be wrong to speculate on the total cost, and on who would pay for what parts of the effort, until we've gotten those kinds of facts on the table," he said. "All these concepts come to the table with some very significant issues associated with them."

Finalists' Approach

The three contracting teams were chosen from a pool of 24 contractors that submitted white papers to DHS early last October. That pool was narrowed to five finalists who were asked to submit full proposals, including four-hour oral presentation to officials from DHS, the Pentagon, and the departments of State, Transportation and Treasury.

Two of the three teams selected Tuesday — those led by BAE Systems and Northrop Grumman — have drafted similar approaches. Each would use infrared lasers to detect and jam the guidance systems of incoming missiles, sending them off-target.

The third team differs in two respects: It's led by an airline, United, and it would launch flares to serve as decoys.

The two teams whose plans were rejected were led by Raytheon, which would have used a flarelike system, and Lockheed Martin, which would have used the laser system.

"We're disappointed with today's announcement," said Lockheed Martin spokesman Cary Dell, "but we're going to continue to advance the technology and R&D for our

Laser Infrared Countermeasures Flyout Experiment."

The winning contractors were understandably pleased.

"It's just great news for us," said Jack Pledger, director of infrared countermeasures business development at Northrop Grumman. "We put a lot of work into this, and it's an honor to be selected."

Burt Keirstead, director of counter-MANPADS for BAE, said the bidders were required by the request for proposals to keep the cost of their systems under \$1 million per airplane. Keirstead and his counterparts at the rival companies would not quote specific price estimates — that's one of the objectives of the project's first phase, they said.

United Airlines will consult with its team but will not be involved in developing the technology behind the proposal, United spokesman Jeff Green said.

"United is involved because of the possibility of putting these types of systems on our aircraft, and thus it would be prudent to be involved from the start and oversee the process of developing these types of systems," he said.

United's team includes Austin, Texas-based Avisys and at least 10 other companies, according to a statement on Avisys' Web site.

BAE will be working in an unspecified capacity with Delta Airlines, Keirstead said, and with Honeywell International.

Northrop Grumman's Pledger would not disclose the company's teammates.

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